Case study on hindustan unilever limited commerce essay

The Human Resource Information System (HRIS) is a software or online solution for the data entry, data tracking, and data information for the needs of the Human Resources, payroll, management, and accounting functions within a business. A human resource information system is an organized, accurate, relevant and appropriate method of providing information about human resources.

It is a organized way of storing data and information for each individual employee in decision making, to help in planning of human resources. It can be used to maintain details such as, employees absence reports, salary administration , employee profiles and other various kinds of reports.

Evolution of Human Resource Information System (HRIS)

In todays world where technology is increasingly developed and touching all aspects of today's business, the use of IT and information technologies is increasing in companys HR department . Now HR managers have realized that there are vast technological changes, with adoption of IT becoming a necessity for them. IT is playing a key role in the HR departments of companies nowadays. Companies are trying to make the finest use of their systems for organizing and storing information of their employees.

In the year 1960's the HR professional and managers of the companies used to spend time in gathering information manually on paper, receiving enquiries, and mostly busy in tedious and manual administrative work. Now as times have changed, systems are getting automated. The companies have started investing in their HR department, developing it by including human resource information system. Human resource managers are now

giving up with costly, lengthy and outdated processes and customizing for IT-enabled HR systems, which marks the beginning of a new era in the functioning of HR professionals.

Human Resource Information System (HRIS) provides-

An effective HRIS is used to provide information about anything the company needs to track and analyze about its employees, former employees, and applicants.

Managing information of all employees

Reporting and analysis of employee information

Benefit to administration including enrollment and personal information updating.

Applicants tracking, resume management, interviewing, and selection.

Complete integration with company's financial and accounting system.

Model of a human resource information system

Fig-1

Input subsystem:-

It deals with gathering of data about various aspects of human resources.

HR research subsystem:

It gathers data such as job analysis, job evaluation, employee absenteeism, employee morale and employee turnover.

HR intelligence subsystem:

Information is collected from external environment formally and informally.

Output subsystem:

It consists of five subsystem

HR acquisition subsystem

HR development subsystem

Appraisal and compensation

Maintenance subsystem

Industrial relations subsystem

HR acquisition subsystem :- (planning, Recruitment, selection & placement)

It involves functions like planning of human resources i. e forecasting the

need and supply of human resources. Recruitment and selection involves the

process of differentiating between applicants in order to identify and select

those with a greater likelihood of success in a job by conducting group

discussions, interviews, etc.

HR Development System: (operative training, management development and organization development)

HRD system requires information about the competencies that are to be

developed among employees. It helps in knowing about the changes that are

to me made in management system or the development to be made in the

organization , etc.

Appraisal and compensation system: (performance appraisal, financial compensation, incentives)

Appraisal management

Appraisal involves evaluating an employee's value and performance for devising suitable compensation package, training, promotion, demotion etc. and compensation involves determining the incentives, benefits etc.

Compensation management:

It is concerned with designing and implementing total compensation package. Here compensation means providing money or other benefits to the employee like provident fund, bonus, insurance scheme and other payment.

HR Maintenance system: (mobility, safety, health and stress management)

HRM system looks after the maintenance of employees in the organization. It involves human resource mobility in the form of promotion, demotion, transfer and separation. By taking care of employees by organizing stress management lectures that the employees may face during work. Also taking care of the safety and health of employees

Industrial Relation System: (discipline management, grievance handling, management of industrial disputes)

IRS is helps with managing good relations between management and operatives. This involves managing employee discipline, managing industrial disputes, redressing employee grievances, etc.

Benefits of HRIS

Data can be processed at high speed

Classifying of data becomes easy

Effective in decision making.

Higher accuracy of report generated.

Quick response to answer queries.

Better work culture.

Establishing of streamlined and systematic procedure.

More transparency in the system.

Employee – Self Management.

CASE STUDY

Hindustan unilever limited(HUL)- Doing well by doing good.

Hindustan Unilever Limited (HUL) is India's largest Fast Moving Consumer Goods Company, touching the lives of two out of three Indians with over 20 distinct categories in Home & Personal Care Products and Foods & Beverages. The company's Turnover is Rs. 17, 523 crores (for the financial year 2009 – 2010)

HUL is a subsidiary of Unilever, one of the world's leading suppliers of fast moving consumer goods with having its strong hold over 100 countries on the world with annual sales of about €40 billion in 2009.

Hindustan Unilever was recently rated among the top four companies worldwide in the list of " Global Top Companies for Leaders" by a study sponsored by Hewitt Associates, in partnership with Fortune magazine and the RBL Group. The company was ranked number one in the Asia-Pacific region and in India.

It is the mission of HUL that inspires more than 15, 000 employees, including over 1, 400 managers, is to help people feel good, look good and get more out of life with brands and services that are good for them and good for others. This mission is shared by HUL with its parent company unilever which holds about 52 % of the equity.

Application of HRIS in Hindustan unilever limited Peoplesoft

Hindustan unilever limited uses peoplesoft software to look after human resource management and customer relationship management

PeopleSoft, Inc. was a company that provided human resource management systems (HRMS) and customer relationship management (CRM) software, as well as software solutions to large corporations and organizations. It was a self-governing corporation until Oracle Corporation took acquisition over it in 2005. The marketing of PeopleSoft name and product line are now done by Oracle.

HUL implemented using peoplesoft since 2003 for its human resource management, Peoplesoft, at that time, was an object of much speculation and suspicion with the owners (HR Managers) and the end-users (HR

Officers), But peoplesoft 7. 5 had stopped being used for a while in unilever due to improper working. After a proper examination it was found out that oracle database was the root cause for the improper working of peoplesoft.

A " big 5" consultancy which was a peoplesoft support company had left the whole implementation of peoplesoft in an unstable state and had to quit its operations from HUL.

This problem was further handled by CMSS pvt ltd who analyzed the database thoroughly and restored the database table by table. They not only stabilized the system and made it usable, but also integrated the system with many of their other HR applications.

Performance Appraisal and Competency Enhancement system (PACE)

Performance appraisals of Employees are necessary to understand each employee's abilities, competencies and relative merit and worth for the organization. The employees are rated in terms of their performances.

It is essential to measure the performance of the employees and the organization, it helps in checking the progress towards the desired goals and aims and which further helps in improvement of the performance. Past performances of the employees are taken into account and are further it focuses on the improvement of the future performance of the employees.

Formal and properly structured performance appraisals help the employees to clearly understand their roles and responsibilities. This further gives direction to look after the individual's performance. It helps the individual

performances in aligning with the organizational goals. It also helps them to review their own performances.

It was implemented since 2003 and is used till date. CMSS looks after Development, Support, Optimization, Enhancement and Customization of PACE. HUL wanted a Performance Appraisal and Competency Enhancement system for its officers, based on the Performance Management Model followed at HUL but the problem that they were facing was, there were no records of the details of officers in a consolidated form. But CMSS could manage it by getting all the database by setting up helpdesks in 4 metro cities and could implement the working of system in 3 months.

Performance Development and Planning system (PDP)

It helps in keeping track of the performance the employees. The process enables each staff person to understand their true value-added to the organization. It helps them in setting goals that which would increase their ability to contribute to the success of the organization.

HUL wanted a Performance Development and Planning system for its managers, based on the Performance Management Model followed by them.

A basic version of this system sent to India, that version was found to be highly lacking in certain features desired by HR in India.

The PDP software had to be developed such a way that it could be integrated with peoplesoft because it had all its employees details stored in it and with a feature for real-time data bridge between Peoplesoft and PDP it could be easily be configured and used as required.

PDP is till date being used by HUL to manage the performance of its managers.

Conclusion:-

Thus studying of the report helps in knowing the vast developments that has been occurring in the field of human resources. Not only in case of IT companies where employees are key assets, even the non-IT sector has also realized the importance and need to invest in technology to upscale their HR functions. It is not only time and cost saving but also has the long-term benefit of retaining employees.

Appendix:

Fig-1: Model of human resource information system.